

BEFORE THE
POSTAL REGULATORY COMMISSION
WASHINGTON, D.C. 20268-0001

COMPETITIVE PRODUCT PRICES
PARCEL SELECT
PARCEL SELECT CONTRACT 25

Docket No. MC2018-35

COMPETITIVE PRODUCT PRICES
PARCEL SELECT CONTRACT 25 (MC2018-35)
NEGOTIATED SERVICE AGREEMENT

Docket No. CP2018-65

**USPS RESPONSES TO CHAIRMAN'S INFORMATION REQUEST NO. 1,
FILED UNDER SEAL**
(December 14, 2017)

The United States Postal Service hereby provides its responses to Chairman's Information Request No. 1, which was issued on December 7, 2017. Responses were due by December 14, 2017. Each question is reprinted verbatim in the attached, and is followed by the Postal Service's response. The responses are being filed under seal as they contain commercially sensitive information. The Postal Service herein incorporates by reference its Application for Non-Public Treatment in this docket for the protection of the materials filed under seal.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorney:

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December 14, 2017

USPS RESPONSE TO CHAIRMAN'S INFORMATION REQUEST NO. 1

1. Please refer to the Request, Attachment B at 8. Article I.I. of the contract makes the customer eligible for certain next-day and same-day delivery services upon payment of a "Premium Service Fee." Please explain how the cost of providing these services is accounted for in the accompanying workpapers and explain the methods used to develop the cost estimates.

RESPONSE:

[FILED UNDER SEAL]

USPS RESPONSE TO CHAIRMAN'S INFORMATION REQUEST NO. 1

2. Please refer to the workpapers accompanying the Request. Please explain how the financial analysis in the workpapers accords with the analytical principles for Parcel Select as revised in Docket No. RM2017-10.¹

RESPONSE:

[FILED UNDER SEAL]

¹ See Docket No. RM2017-10, Order No. 4228, Order on Analytical Principles Used in Periodic Reporting (Proposal Six), November 20, 2017.